

MULTIMEDIA



UNIVERSITY

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

T1, 2018/2019

BOB7024 - ORGANISATIONAL BEHAVIOUR
(MBA Full Time)

3 OCTOBER 2018
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **FOUR (4)** pages including the cover page.
2. Answer **ALL** questions.
3. Please write your answers in the Answer Booklet provided.

Answer ALL questions**QUESTION 1****Case Study: Alvis Corporation**

Kathy McCarthy was the manager of a production department in Alvis Corporation, a firm that manufactures office equipment. The workers are not unionized. After reading an article that stressed the benefits of participative management, Kathy believed that these benefits could be realized in her department if the workers were allowed to participate in making some decisions that affect them. Kathy selected two decisions for an experiment in participative management.

The first decision involved holiday schedules. Each summer the workers are given two weeks holiday, but no more than two workers can go on holiday at the same time. In prior years, Kathy made this decision herself. She would first ask the workers to indicate their preferred dates, then she considered how the work would be affected if different people were out at the same time. It was important to plan a holiday schedule that would ensure sufficient staffing for all of the essential operations performed by the department. When more than two workers wanted the same time period, and they had similar skills, she usually gave preference to the workers with the highest productivity.

The second decision involved production standards. Sales had been increasing steadily over the past few years, and the company recently installed some new equipment to increase productivity. The new equipment would make it possible to produce more with the same number of workers. The company had a pay incentive system in which workers received a piece rate for each unit produced above a standard amount. Separate standards existed for each type of product, based on an industrial engineering study conducted a few years earlier. Top management wanted to readjust the production standards to reflect the fact that the new equipment made it possible for the workers to earn more without working any harder. The savings from higher productivity were needed to help pay for the new equipment.

Kathy called a meeting of her 15 workers for an hour before the end of the work day and explained she wanted them to discuss the two issues and make recommendations. Kathy thought that the workers might be shy about participating in the discussion if she were present, so she left them alone to discuss the issues. Besides, Kathy had an appointment to meet with the quality control manager. Quality problems had increased after the new equipment was installed, and the industrial engineers were studying the problem in an attempt to determine why quality had gotten worse rather than better.

When Kathy returned to her department later, she was surprised to learn that the workers recommended keeping the standards the same. She had assumed they knew the pay incentives were no longer fair and would set a higher standard. The worker speaking for the group explained that their base pay had not kept up with inflation and the higher incentive pay restored their real income to its prior level.

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On the holiday issue, the group could not agree to a single decision. Several of the workers wanted to take their holiday during the same two week period and could not agree on who should go. Some workers argued that they should have priority because they had more seniority, while others argued that priority should be based on productivity, as in the past. Because it was the end of the work day, the group concluded that Kathy would have to resolve the dispute herself. After all, wasn't that what she was being paid for?

Source: Yukl, G. (2010) *Leadership in Organizations*, 7th Edition, Pearson, pp. 516-517

- a) Were the two decisions suitable ones for a group decision making procedure? Explain. **(10 marks)**
- b) What mistakes were made in using employee participation in decision making, and what could have been done to avoid the difficulties the manager encountered? **(10 marks)**

QUESTION 2

- a) What is the Myers-Briggs Type Indicator (MBTI) and how might it be used by managers? **(12 marks)**
- b) Describe the Big Five personality dimension of conscientiousness and explain how it can predict behavior at work. **(8 marks)**

QUESTION 3

- a) Clara is a clerk at a retail outlet. She earns RM35,000 a year. She is allowed to work her schedule around her daughter's school athletic events, and because she has seniority over the other clerks, rarely has to work during holidays. Jeff is a new designer for an engineering firm. He earns RM75,000 a year. He must be at the office Monday through Friday from 8:00 a.m. to 5:00 p.m. His wife attends all their children's school events. His job is stressful, and if a project is due, he often works weekends and sometimes during holidays, although from home.

How would you compare Clara and Jeff's levels of job satisfaction? Describe how you would measure their satisfaction and name at least three major job attitudes that play a part in each of their satisfaction levels.

(10 marks)

Continued.....

b) When we observe people, we attempt to explain their behaviour. Our perception and judgment of a person's actions are influenced by the assumptions we make about that person's state of mind. Explain Attribution Theory by using a diagram. **(10 marks)**

QUESTION 4

a) Throughout history, strong leaders have been described by their traits. Trait theories of leadership focus on personal qualities and characteristics. Discuss the findings of trait theories. **(6 marks)**

b) Behavioral theories of leadership imply we can train people to be leaders. Discuss the findings of behavioral theories. **(7 marks)**

c) Explain the Leader-Member Exchange (LMX) Theory. **(7 marks)**

QUESTION 5

Discuss the five **(5)** bases of power.

(20 marks)

End of Paper

